

## **From public services to networks of social enterprises. Strategic trends for South-Eastern Europe**

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**Abstract.** *The evolution from public services to networks of social enterprises, not integrated into administrative convergence, expresses the essence of a process of institutional restructuring and reconversion based on common directions above mentioned and determined by the impact of Collaborative Public Management on Collaborative Governance. The above evolution has endemic characteristics for various European regions, in this context for South-Eastern Europe.*

*The current paper aims to emphasise specific trends for South-Eastern European states within the construction and operationalisation of a social enterprise network system, as well as lessons from relevant models for the social enterprises, such as the American, European model.*

*The paper achieves brief presentation of the state of the art concerning the social enterprises in some South-Eastern European states: Romania, Bulgaria, Greece, Slovenia.*

**Keywords:** social enterprises, networks, social economy, clusters.

**JEL Classification:** A13.

## 1. Introduction

Worldwide, the social enterprises become, moreover, an obvious reality in the economic and social development of the states.

The syntagma in the title of the current paper “from public services to networks of social enterprises” aims to emphasise a strategic trend in the development of public and private sectors in most states, trend revealing a change of weight in favour of social enterprises and in a close perspective of social enterprise networks. The analyses and reports achieved at the European Union level on social economy (SE) provide the arguments substantiating this assertion. The trends of social economy, including the social enterprises converge “towards recognition of the social economy in national accounts system”, as well as towards simultaneous development of “market or business” or “non-market” subsectors within SE, thus triggering “pluralism and shared core identity” (Monzon and Chaves, 2012, p. 21).

The achievement of those trends could lead to better knowledge about the reality of social economy and possibility to evaluate its contribution to the economic and social development of communities, nations etc.

## 2. Social enterprises and the third sector

The social enterprises represent forms of expression of social economy. Recognised authors (Borzaga and Santuari, 2003) reveal the existence of social action organisations, operating on the market, adopting various legal forms, in many cases as cooperatives, commercial or similar companies. Generally known as social enterprises, they are continuously engaged in producing goods and/or services, have a high degree of autonomy and a significant level of financial risk, use paid work and are market oriented, meaning that a significant proportion of the organisation’s income is derived from the market (services sold directly to users) or from contractual transactions with the public authorities.

We should also mention that they are private companies set up by groups of citizens, there is direct participation by the persons affected by the activity, their decision-making power is not based on the ownership of capital, distribution of surplus and profits is limited, and they have the explicit objective of benefiting the community.

Correlating the above descriptions with the assertion of the European Commission about “social business”, one may accept that “the social enterprises are non-financial corporations which, irrespective of their legal status, possess the aforementioned features of social economy companies” (Monzon and Chaves, 2012, p. 27).

Coming back to the advanced trend in the title of the paper, we should mention that in 2013, The Guardian raised the question: “are social enterprises fit for the future of public services?” (Floyd, 2013).

This question may represent a strategic argument, which in authors’ opinion is substantiated on reality.

Social Enterprise UK (SEUK)'s in 2013 State of Social Enterprise Survey reported both an increase in the percentage of social enterprises that have the public sector (in general) as their main source of income (23% compared to 18% in 2011) and that of 15% of social enterprises trading for three years or less are operating in healthcare compared to 5% of older social enterprises. The author continues with other relevant analyses. Of course, the answer could not be given only based on the above survey.

### **2.1. The social enterprise: definition, objectives**

Following the paper of Matei and Sandu (2011, pp. 2-4), it is worth to note a series of essential features of the social enterprises.

The positioning of social enterprises makes them an effective instrument for combating social exclusion, a vehicle for social cohesion and a place of socialization. In addition to their social purpose, they emphasize production of goods and services and participation in the life of the enterprise by all its stakeholders- volunteers, employees, managers, users, representatives of public and private bodies-, which is by no mean an easy task (OECD, 1999).

The social enterprise is the active part of the economic growth process, the promotion of the innovation, of supporting and creating new jobs, offering goods and services to the community, by creating the relationship between the provider (the social enterprise) – beneficiary (the community or the society as a hole) on the social market.

Key words for social enterprise (OECD, 1999):

- different legal forms in different countries (co-operatives, associations, etc.);
- entrepreneurial organization of activities;
- profit not distributed, but re-invested to achieve the enterprise's social goals;
- stakeholders rather than stockholders: democratic participation and organization of the enterprise;
- economic and social objectives;
- economic and social innovation;
- observance of market rules;
- economic viability;
- mixed financing, with a high degree of self-financing;
- response to unmet community needs through the production of goods and services (traditional activities - community care services - and new activities to meet new social demands);
- labour –intensive activities.

The main principles of social enterprises focus on:

- a primary social objective – the purpose of the business is to address social or environmental problems, and it trades in the market to do this;
- limited distribution of profits – profits are primarily used to further the enterprise's social objective, and are reinvested rather than being paid out to financial investors;
- transparent and participative governance, including involvement of key stakeholders such as users and workers.

The social enterprises offer social services, with social objectives and they can be organized in different ways: centers for adults, kindergartens, social housing, training and placement centers, rehabilitation services, elderly care, ambulatory services for those with mental problems, alternative education for those rejected from schools, training centers private prisons, etc. (Nicholls, 2000).

“Social service programs” include poverty solution such as the following (Adato, Ahmed and Lund, 2005): social security systems for those working in the formal sector; services for school dropouts and street children; workfare programs; maternal and child health services; assistance for the elderly and disabled.

We find a detailed presentation of the concept and objectives of social enterprises in multiple publications (EC, 2014; OECD, 1999; Matei and Sandu, 2011).

Social utility of social enterprises that focus on the integration of disadvantaged groups is relatively easy to identify. The entry or re-entry on labour market (paid or not) is both socially and economically beneficial to the community. Assisting the unemployed to employment enhances social cohesion and allows recipients to recover their economic independence after a period of retraining (OECD, 1999).

The production of goods and/or services by the social enterprise should, in itself, constitute (not only indirectly, through the income it generates) a support for the social mission. In other words, the nature of the economic activity must be connected to the social mission: if the mission of the social enterprise is to create jobs for low-qualified people, the economic activity itself supports the work integration goal; the mission of the social enterprise is to develop social services, while the economic activity is the delivery of these social services, and so on (Nyssens, 2006).

A main objective of the social enterprise is the work integration and from this point of view, we can talk about the Work Integration Social Enterprise, whose aim is to support the people that are facing the risk of permanent exclusion from the labour market.

The social enterprise or the social organization has as objective the social problem solving in the society, a feature that makes it different from the commercial enterprise, which solves a business problem. The profit of social enterprise is a social profit, while the one of commercial enterprise is a financial, pecuniary profit. The practice of the social enterprise is that of promoting the social objectives, to offer services and goods in terms of efficiency and effectiveness.

Steier (2000) considers social enterprise as being designed of a hybrid model “consisting of the emergence of business, commercial and the social, the non-profit field”.

The social enterprise can have one or more owners that have control over the company while they are in charge of the company’s earnings, which are not distributed as dividends but reinvested it in the social cause (Austin, 2000).

Some social enterprises are very commercial while others give greater priority to social goals – and as a result are likely to be more marginal; some are strongly linked to promoting a specific target group and thus may have advocacy (for a community or an ethnic minority) as a (political) goal.

The financial dimension of the social enterprise is characterized, on the one hand, by the capacity of attracting and creating finances, without profit, and on the other hand, by the capacity of being supported through philanthropic actions. In other words, the social enterprise is considered to have a hybrid character (Nicholls, 2000).

## **2.2. Experiences of social enterprise**

### ***a. The American experience***

In the USA the concept of social enterprise remains an open subject of debate with the main focus on the economic activities with social goals. In U.S. academic circles, social enterprise is understood to include those organizations that fall along a continuum from profit-oriented businesses engaged in socially beneficial activities (corporate philanthropies or corporate social responsibility) to dual-purpose businesses that mediate profit goals with social objectives (hybrids) to non-profit organizations engaged in mission-supporting commercial activity (social purpose organizations). For social purpose organizations, mission-supporting commercial activity may include only revenue generation that supports other programming in the non-profit or activities that simultaneously generate revenue and provide programming that meets mission goals such as sheltered workshops for the disabled (Kerlin, 2006).

In practice, this fact means that the activity of the NGOs will be focused on the redistribution of revenue between generations. Social enterprise engaged in by nonprofits may take on a number of different organizational forms including internal commercial ventures, for-profit and non-profit subsidiaries, and partnerships with business including cause-related marketing (Kerlin, 2006).

The main direction in present is the development and the emphasis of the social enterprise and social entrepreneurship concepts, thus the majority of the organizations with this type of profile will tend to guide their activities by social aims, even if they will face problems related to social exclusion specific to some vulnerable groups or to the lack of involvement of the public national or local authorities.

### ***b. The European experience***

From the European perspective, the social enterprise is considered to belong to the “social economy” (this concept is not mentioned in the American literature), with the priority of social benefits. In addition, the social enterprise concept implies the involvement of the beneficiaries in the ongoing activity performed, even in the decision-making process, by including some beneficiaries, employees, volunteers, etc. in the managerial activity.

Social enterprise is defined (OECD, 1999) as being “any private activity conducted in the public interest, organized with entrepreneurial strategy, but whose main purpose is not the maximization of profit but the attainment of certain economic and social goals, and which has the capacity for bringing innovative solutions to the problems of social exclusion and unemployment”, Kerlin (2006) considering that this definition is the most relevant for the European space.

Another perspective of social enterprise is the one of EMES (L'Emergence des Entreprises Sociale en Europe), by defining them as organizations with an explicit aim to benefit the community, initiated by a group of citizens and in which the material interest of capital investors is subject to limits. Social enterprises also place a high value on their autonomy and on economic risk-taking related to ongoing socio-economic activity (Nyssens, Adam and Johnson, 2006).

### 2.3. Lessons to be learned

The International practice highlights the shaping of two “models” of social enterprise (Table 1). In Kerlin’s vision, from comparative perspective, each model has to learn one from the other starting with the organizational type, types of social enterprises, the involvement of social enterprise in society, in governmental activities and continuing with the types of concretizations of (contractual) activities, etc.

**Table 1.** Comparative overview of social enterprises in the United States and Europe

	<b>US</b>	<b>Europe</b>
<b>Emphasis</b>	Revenue Generation	Social Benefit
<b>Common Organizational Type</b>	Non-profit	Association/Cooperative
<b>Focus</b>	All Non-profit Activities	Human Services
<b>Types of Social Enterprise</b>	Many	Few
<b>Recipient Involvement</b>	Limited	Common
<b>Strategic Development</b>	Foundations	Government/EU
<b>University Research</b>	Business and Social Science	Social Science
<b>Context</b>	Market Economy	Social Economy
<b>Legal Framework</b>	Lacking	Underdeveloped but Improving

Source: Kerlin, 2006, p. 259.

Related to various definitions of social enterprises, Smallbone et al. (2001) identify 16 different forms. No matter the form, the social enterprises will be comprised in “the third sector” together with “not-for-profit sector, non-profit making business, civil society organizations, non-governmental organizations” (Bull and Crompton, 2005).

Pearce (2003, p. 25) illustrates the structure of the three sectors of economy (Figure 1). The diagram in Figure 1 “separates the private, public and mutual systems (the third system) within the economy and then splits the social economy within the mutual economy where trading is a dimension of the sector, in contrast to the planned economy of the public sphere. Often the terms social economy, social enterprises and third sector are used interchangeably, so Pearce’s three systems framework is a very useful diagram for explaining the differences between them and where each is positioned in the wider economy” (Doherty, 2009, p. 6).

The past and actual trends sustain a growth of the social enterprises sector, especially in industrialized countries.

Older research reports (Salomon et al., 2003), aiming the analysis of the third sector in various states, emphasizes variations and specific features relatively high depending on the development level of the analysed states.

Figure 1. Pearce's three systems of the economy model (Pearce, 2003, p. 25)

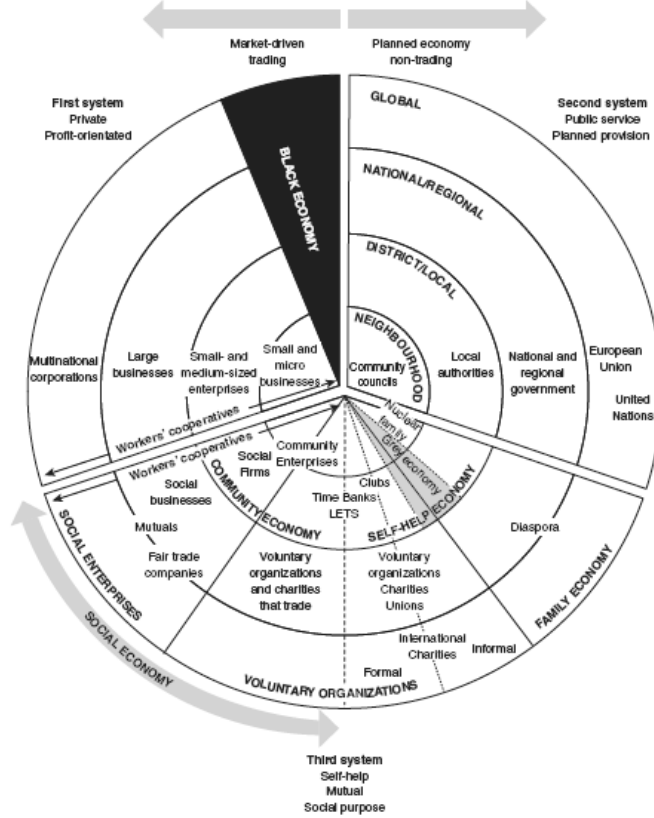
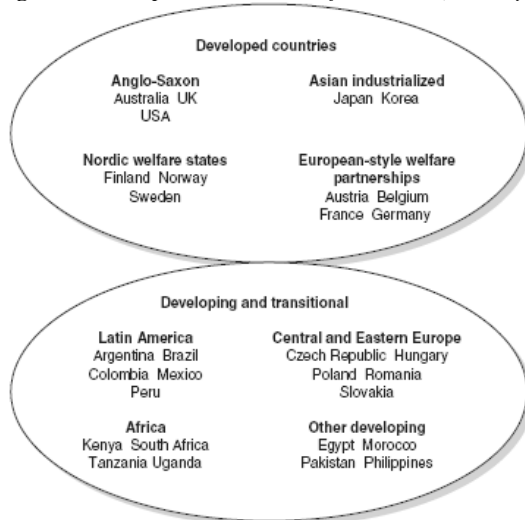


Figure 2 provides an eloquent image for the conclusions of those analyses.

Figure 2. Socio-political clusters of countries (Doherty, 2009, p. 4)



As remarked from Figure 2, adapted after Salomon et al. (2003, p. 37), eight clusters are proposed.

The economic and social criteria for creating the clusters take into consideration the weight of the third sector in the economy of each state, the typology of the economic and social activities. Table 2 provides the main characteristics of each cluster.

**Table 2.** *Characteristics of clusters concerning the evolutions of the third sector (processed after Doherty, 2009, pp. 4-5)*

Cluster	Characteristics
Anglo-Saxon	<ul style="list-style-type: none"> <li>▪ the largest average third-sector workforce of 8.2 per cent combined with a sizeable volunteer presence;</li> <li>▪ a high proportion of their income from fees and charges.</li> </ul>
Nordic welfare states	<ul style="list-style-type: none"> <li>▪ a workforce of 2.5 per cent that is mainly comprised of volunteer labour and others receiving lower than average levels of pay;</li> <li>▪ strong advocacy and professional organizations staffed by volunteers, deriving income mainly from fees and government support.</li> </ul>
Asian industrialized	<ul style="list-style-type: none"> <li>▪ a small third sector (only 3.3% of the economically active population);</li> <li>▪ the organizations are mainly involved in service provision of health and education, gaining most of their income from fees and receiving little state support.</li> </ul>
European-style welfare partnership	<ul style="list-style-type: none"> <li>▪ a large civil society staffed in the main by paid employees who are predominantly engaged in social welfare service provision;</li> <li>▪ significant income from tax revenues.</li> </ul>
Latin America	<ul style="list-style-type: none"> <li>▪ the third sector is larger than in other developing country clusters and is heavily orientated towards service functions such as education.</li> </ul>
Central and Eastern Europe	<ul style="list-style-type: none"> <li>▪ the third sector still incorporates the impact of socio-political organization after the second world war;</li> <li>▪ the third sector is smaller comparative with clusters in Latin America or Africa;</li> <li>▪ oriented toward the direct provision of social welfare services by the state.</li> </ul>
Africa	<ul style="list-style-type: none"> <li>▪ the third sector is limited by financial support. An exception to this is South Africa, where 40 per cent of revenue is derived from government compared to 5 per cent in Kenya.</li> </ul>
Other developing states	<ul style="list-style-type: none"> <li>▪ the third sector has demonstrated stronger growth due to developments in communication technology and some international initiatives to empower the rural poor;</li> <li>▪ characterized by lower than average levels of economically active people employed in the sector plus lower than average levels of government support.</li> </ul>

Social economy represents now more than 10 % of the European GDP, above 11 million workers and 5 % of the active EU population. One out of four new entrepreneurs in the EU is a "social entrepreneur". For Finland, France and Belgium it is even 1 out of 3.

Social enterprises bring a major contribution to providing social services for vulnerable people and to providing jobs for long-term unemployed, disabled and excluded people, thus aiding their inclusion in society. They play a major role in the development of communities and local economies.

The main barriers for the social enterprises refer to: poor visibility and recognition of the sector, the constraints of current legal and regulatory frameworks, limited financial resources, difficult access to markets, the lack of business support and development structures, training, and workforce development.



### 3. Networks of social enterprises

#### 3.1. General issues

The field literature (Agranoff, 2007; Kapucu et al., 2009; Fountain, 1994 etc.) reveals the important role of networks in promoting and implementing New Public Management and collaborative management or governance.

Globalization as well as the profound processes of reform dominated by information and communication technologies, global public policies and decentralization mark visibly the governance of the beginning of the new millennium. Consequently, the field literature and analyses focus on conceptualization and operationalization of terms such as “innovative”, “performance” or “network management” (Kapucu et al., 2009, p. 43).

The civil engagement and participant play key roles in this context.

“Collaborative management actively engages citizens through the tools of dialogue and deliberation, community problem solving and multi-stakeholder dispute resolution to inform and shape public decisions and policy” (Henton et al., 2005, p. 3).

The eloquent expression of civic engagement consists also in social enterprises and networks of social enterprises. “Networks are a widespread form of social coordination and managing inter-organisational links is just as important for private sector management” (Rhodes, 1996, p.659).

Referring to the perspective of research on networks, Kapucu et al. (2009) or Fountain (1994) reveal the fact that “network perspective offers rich descriptive capacity and precise methodologies in studying both micro and macro level organizational and inter-organisational processes” (Kapucu et al., 2009, p. 42).

In the context of the new models of governance, the complex understanding of the importance of networks is based on four framework characteristics of networks in the framework of collaborative governance:

1. Interdependence between organisations. Governance is broader than government, covering non-state actors. Changing the boundaries of the state means that the boundaries between public, private and voluntary sectors become shifting and opaque.
2. Continuing interactions between network members caused by the need to exchange resources and negotiate shared purposes.
3. Game-like interactions, rooted in trust and regulated by rules of the game negotiated and agreed by network participants.
4. A significant degree of autonomy from the state. Networks are not accountable to the state; they are self-organising. Although the state does not occupy a privileged, sovereign position, it can indirectly and imperfectly steer networks”.

We should mention, in this context, the obvious arguments from the literature in favour of integrating the social problems and solving them for the benefit of the community by the entities belonging to multiple sectors of society, such as business, non-profit and philanthropies, media etc. Clarke (2000) suggests the construction of horizontal networks of citizens and their groups in view to work in non-profit organisations.

“Non-profit organisations draw on three strategies: they operate in a quasi-market context, they are privileged and constrained by an array of laws and rules operating at different scales, and they necessarily rely on coalitions to build the trust and reciprocity allowing them to operate” (Clarke, 2000, p. 209).

Indirect arguments in favour of social enterprises are provided by Musso et al. (2006, p. 88), who sustain the creation of network structures and the necessity of understanding “the relationship between social ties and community capacity which explains the distinction between bonding and bridging ties... bonding ties contribute to the cohesion of social groups, whereas bridging ties connect groups to their environment”.

### **3.2. Characteristics of networks of social enterprises**

Taking into consideration the multiple forms of operation for the social enterprises, the structure of the networks of social enterprises is diversified.

No matter the structure, according to the field literature (Defourny, 2001; Davister et al., 2004; Nyssens, 2006, Kerlin, 2009; Matei and Matei, 2012), the characteristics of the networks of social enterprises will derive from what the literature calls as “the EMES<sup>(1)</sup> Ideal Type of Social Enterprise”.

Thus, the necessary distinctions between the economic and social dimension of a social enterprise/network should be achieved, the latter prevailing.

Consequently, according to Defourny (2001, pp. 16-18), the characteristics could be synthesized as follows:

- The economic dimension:
  - a) A continuous activity, producing and selling goods and/or services;
  - b) A high degree of autonomy;
  - c) A significant level of economic risk;
  - d) A minimum amount of paid work.
- The social dimension:
  - e) An explicit aim to benefit the community;
  - f) An initiative launched by a group of citizens;
  - g) A decision-making power not based on capital;
  - h) A participatory nature, which involves the various parties affected by the activity;
  - i) A limited profit distribution.

The above characteristics have been subject to various debates. For example, Nyssens (2006, p.11) comparing with the model of social enterprises in the US conclude that “in Europe, the notion of social enterprise focuses more heavily on the way an organization is governed and what its purpose is, rather than on whether it strictly adheres to the non-distribution constraint of a formal non-profit organization”. We find broad analyses in the references quoted.

The context of our analysis is focused on this model. Related to the characteristics of each social enterprise above mentioned, we should note the impact of the framework characteristics of networks, formulated by Rhodes (1996).

Further the outcomes of an international study from 1990s, coordinated by Johns Hopkins University, the general concept emphasizes the following characteristics, applicable also to the networks of social enterprises:

- The networks are formal, i.e. they have a certain degree of institutionalization, which generally presupposes legal personality;
- The networks are private, i.e. distinct from both the state and those organisations deriving directly from the public authorities;
- The networks are self-governing, in the sense that they must have their own regulations and decision making bodies;
- The networks cannot distribute profits to their members, their directors or a set of owners. This “non-distribution constraint” lies at the heart of all the literature on NPOs;
- The networks must involve some level of voluntary contribution in time (volunteers) and/or in money (donors) and they must be founded on the free and voluntary affiliation of their members (Defourny, 2001, p. 9).

#### 4. A comparative analysis for some South-Eastern European states

The situation of the South-Eastern European states has represented a preoccupation in the last two decades for researchers and experts in the field of social policies. This preoccupation was amplified by deepening the integration and enlargement process of the European Union with states from that geographic area.

The interest for this topic derives also from the geo-political evolution of the South-Eastern European states, influences of the communist political regimes, different administrative and social cultures.

In this context, it is worth to emphasise the analysis of Les and Kolin (2009) aimed to describe “how the influence of Western Europe as well as the lingering influence of communism and its collapse are shaping the concept of social enterprise in East-Central Europe”. The authors extract and synthesize a series of specific endemic features to the mentioned geo-political area.

**Table 3.** *Characteristics of the social enterprises in some South-Eastern European states (processed after EC, 2014; ISEDE Net, 2012; Matei and Sandu, 2011)*

State	Bulgaria	Greece	Romania	Slovenia
<b>Criterion</b>				
Characteristics of the social enterprises	The traditional form of cooperatives co-exists with the new forms of social enterprise (associations and foundations). Estimated there are around 430 social enterprises.	Social cooperative enterprises, women agro-tourist cooperative and limited liability social cooperatives. Civic cooperatives (which cover credit cooperatives and professional cooperatives), rural cooperatives or companies limited by shares. There are recorded around 690 EU defined social enterprises.	Typical social enterprises embrace the form of associations, foundations, mutual help associations/ credit unions and sheltered workshop run by NGOs. Estimative there are around 7000 social enterprises, of which 31% in agriculture, 12% professional and in reduced percentages in education, culture, tourism etc.	The organization form – associations, institutions, foundations, private limited companies and cooperatives. There are no data about the size of social enterprises sector. According to Act (2011), 46 social enterprises are recorded.

State	Bulgaria	Greece	Romania	Slovenia
<b>Criterion</b> Policy and legal framework	The policy framework is set out in the National Social Economy Concept (NSEC). Action Plan for the Social Economy 2014-2015 represents the support for NSEC.	There is no legal framework specific for social enterprises. Law 1541/1985 on women agro-tourist cooperatives. Law 2716/1999 for Koi SPE for people with mental health problems. Law 4019/2011 on Social Cooperative Enterprises.	For the time being, the concept of social enterprise is not legally defined. There is the intention to approve a law on social economy.	Act on Social Entrepreneurship (2011) comprises a definition of social enterprise in line with the EU definition.
Networks and mutual support mechanism	For the time being, there are no networks of social enterprises.	Most limited Social Cooperatives (Koi SPE) on mental health problems. Pantellenic Federation of Social Cooperatives (Feb. 2011)	Only a few examples of networks of social enterprises could be identified.	Slovenian Forum of Social Entrepreneurship represents the most important network for social enterprises.
Factors constraining the start-up and development of social enterprise	Access to finance A lack of government support and difficulties in accessing markets (including public procurement opportunities).	Difficult access to finance Lack of specialised support structures for incubators, mentoring, counselling etc. Non-eligibility for the resources provided, for example to SMEs. Lack of networks and possibility of contracts institutionalised with other social structures.	Low recognition of the concept of social enterprise. Access to finance is limited due to lack of specific legislation. The administrative burden is the same as for other economic entities.	Weak business skills among majority of social entrepreneurs. Difficult access to finance.

Networks of social enterprises and/or forms of mutual support structures exist in almost all countries.

The experience of Italy, France and the UK shows that these can play an important role in supporting the development of the sector by offering support, guidance and advice, as well as acting as an advocate for the sector. For example, social cooperatives consortia are the most common support structure for social enterprise in Italy and provide training and consultancy support to their members. Another example is the business and employment cooperatives in France, which use peer support to assist new entrepreneurs. Similarly, in the UK, several umbrella organisations for social enterprises have been established and have played an important role in both bringing recognition to the sector and in the development of a range of policy.

There are a limited, but growing number of social enterprise incubators, mentoring schemes, specialist infrastructure and investment readiness services across the EU (examples can be found in countries like Belgium, France, Germany, the Netherlands, Slovenia, Hungary, etc.).

In Romania, there are the following networks of social enterprises:

- “We act responsibly! – The CSR Social Network”, which received ESF funding between 2007 and 2013, involves over 300 member organisations (including associations, foundations) and over 1,000 individuals. The network’s objective is the facilitation of knowledge exchange and the promotion of the concept of corporate social responsibility.
- The ‘Societal’ network, which promotes the introduction of social responsibility indicators for the management and monitoring of NGOs. The network involves about 20 NGOs. Between 2010 and 2013, Societal benefited from the financing of the ESF.

- The Romanian network of work integration social enterprises (Association RISE Romania) involves eight NGOs operating with the objective of supporting work integration of disadvantaged individuals.

## Conclusions

The paper highlights several relevant aspects on the development of social enterprises toward organization in networks or other horizontal organizational forms aimed to ensure a better transfer of good social practices, superior valorisation of endogenous resources and better response to citizens' social needs.

Focused also in subsidiary toward social enterprise networks from a few South-Eastern European states, the paper integrates their realities within European analyses, specific to social economy, development of the third sector etc. The differences at development level are major. However, for the mentioned states, the efforts are significant, recording results compatible and convergent with those from developed states.

Within the evolutions of the South-Eastern European states, the comparative analysis model is provided by consecrated networks, determining also the social policies at European level. In this context, the paper achieves a broad presentation of the field literature and policies and strategies developed by the above-mentioned consecrated networks.

In our opinion, the determination of characteristics and directions, fundamental for the development toward organization in social enterprise networks, holds a key role for the development of social economy and the third sector in South-Eastern European states.

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## Note

- <sup>(1)</sup> EMES refers to the title of the research project as submitted in French to the European Commission "L'Emergence des entreprises sociales in Europe", named the EMES network.

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